

**REMARKS**

This responds to the Office Action mailed on July 18, 2007.

No claims are amended, no claims are canceled, and no claims are added; as a result, claims 1-40 are now pending in this application.

**§102 Rejection of the Claims**

Claims 1-6, 31-36 and 40 were rejected under 35 U.S.C. § 102(b) for anticipation by Trostle (U.S. 5,919,257).

**Applicable Law**

Anticipation requires the disclosure in a single prior art reference of each element of the claim under consideration, *In re Dillon*.<sup>1</sup>

Anticipation also requires the presence in a single prior reference disclosure of each and every element of the claimed invention, *arranged as in the claim.*" *Lindemann Maschinenfabrik GmbH v. American Hoist & Derrick Co.*<sup>2</sup>

With respect to claim 1, the Final Office Action alleges that Trostle teaches all elements of claim 1.

Claim 1 recites (in part):

"causing a first identifier associated with a first user identity to be stored on a machine responsive to a first sales-related event with respect to the network-based transaction facility and initiated under the first user identity from the machine which is coupled to the network-based transaction facility via a network; and detecting a potentially fraudulent activity by detecting a lack of correspondence between the first identifier stored on the machine and a second identifier associated with a second user identity responsive to a second sales-

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<sup>1</sup> 919 F.2d 688, 16 USPQ2d 1897, 1908 (Fed. Cir. 1990) (en banc), cert. denied, 500 U.S. 904 (1991).

<sup>2</sup> 730 F.2d 1452, 221 USPQ 481, 485 (Fed. Cir. 1984) (citing *Connell v. Sears, Roebuck & Co.*, 722 F.2d 1542, 220 USPQ 193 (Fed. Cir. 1983))

related event with respect to the network-based transaction facility and initiated under the second user identity from the machine”<sup>3</sup>

In contrast, to Office Action relies upon Trostle which states:

“In step 82 a username prompt is presented to the user. In response, the user enters a username a username, which is transmitted to the server and in step 84 the server compares the entered username against a list of authorized users. If the username is not valid, network access is denied in step 86 and the login process ends.”<sup>4</sup>

The above quoted language of Trostle is a mere attempt to authenticate a user. Typically, this ensures that the user is authorized to log into the system. Claim 1 requires “a first user identity to be stored on a machine responsive to a first sales-related event with respect to the network-based transaction”. Trostle, on the contrary, is not related to a “sales-related event” as demonstrated more clearly by the following language:

“An object of the present invention is to detect illicit changes to executable programs within a workstation”<sup>5</sup>

and further:

“An advantage of the present invention is that it provides a trusted technique for detecting illicit changes to executable programs (e.g., a “Trojan horse” appended to an executable program by a computer hacker).”<sup>6</sup>

Thus, Trostle relates to determining whether software was tampered with by detecting modifications in executable files made since last login:

“Referring again to FIG. 4, in step 89, the workstation compares a computed hash value against the trusted hash value. If the values are equal then illicit changes have not been made to the selected executable programs, and execution continues with step 90 which returns workstation execution to the system BIOS”<sup>7</sup>

Trostle, therefore, discloses neither “causing a first identifier associated with a first user identity to be stored on a machine responsive to a first sales-related event” nor “detecting a potentially fraudulent activity by detecting a lack of correspondence between the first identifier

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<sup>3</sup> Office Action of July 18, 2007, p. 2

<sup>4</sup> Trostle Col 5 Line 49

<sup>5</sup> Trostle Col 1 Line 64

<sup>6</sup> Trostle Col 3 Line 19

<sup>7</sup> Trostle Col 7 Line 25

stored on the machine and a second identifier associated with a second user identity responsive to a second sales-related event" as required by claim 1.

In the "Response to Arguments" section of the current Office Action, it is stated that the quoted passage from Trostle reads upon those features of claim 1 that Applicant contends distinguish what is claimed from Trostle:

"Trostle is describing<sup>8</sup> an authentication process wherein a user identity (i.e., username) is compared to pre-stored user information, and if a match is not found between the entered user name and the pre-stored information, network access is denied to said user, and the log-in process terminates. Thus the authentication process described by Trostle in col. 5 lines 45-67 constitutes the applicant's claimed limitations i.e., "storing a first user identity responsive to a first sales-related event with respect to the network-based transaction facility; detecting a potentially fraudulent activity by detecting the lack of correspondence between a first identifier stored on a machine and a second identifier." All in all, the authentication process disclosed by Trostle supra reads on these limitations."

Applicant respectfully disagrees with the Office Action's conclusion.

Specifically, Applicants note that nowhere in the quoted passage does Trostle describe a method which causes a first identifier to be stored "responsive to a first sales-related event." Nor does Trostle detect a lack of correspondence between the first identifier and "a second identifier associated with a second user identity responsive to a second sales-related event with respect to the network-based transaction facility and "initiated under the second user identity from the machine." The Office Action is deafeningly silent as to where Trostle discloses anything related to either first or second identifiers associated with first or second "sales related event(s)" or to initiating detection "under the second user identity from the machine." The portion of Trostle relied upon in the Office Action does no comparison of first and second user identities and merely provides for checking a username against pre-stored information listing authorized users. As stated above, the claimed method requires more than verifying that a single user identity matches a stored identity. Claim 1 requires a detecting a lack of correspondence between first and second user identities responsive to first and second sales related-events initiated under first and second user identities.

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<sup>8</sup> The Office Action quoted Trostle

Because anticipation requires the disclosure in a single prior art reference of each element of the claim under consideration and Trostle fails to disclose all limitations of claim 1, the rejection of claim 1 as anticipated by Trostle is improper and should be withdrawn.

The rejections of independent claims 31, 32, and 33 should be similarly withdrawn because the above remarks are also applicable to considerations of independent claims 31, 32, and 33.

**Concerning Claims 2-6, 34-36, and 40:**

Applicants respectfully submit that dependent claims 2-6, 34-36, and 40 depend directly or indirectly from their respective independent claims 1 and 33. As such, each of these dependent claims incorporates all the limitations of their parent respective independent claims. Accordingly, Applicants submit that these dependent claims are patentable for at least the reasons set forth above.

Thus, Applicants respectfully request withdrawal of the rejections of claims 2-6, 34-36, and 40. For brevity, Applicants reserve the right to present further remarks concerning the patentable distinctiveness of the features of such dependent claims.

**§103 Rejection of the Claims**

Claims 7-8 and 37 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Trostle in view of Buchner et al. (Discovering Internet marketing intelligence through online analytical web usage mining, ACM SIGMOD Record archive, Vol. 27, Issue 4, (December 1998), Pages: 51-61), hereinafter Buchner.

Claims 9-19 and 38 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Trostle in view of Buchner and further in view of Miller (Michael Miller, The complete Idiot's Guide to Ebay Online Auctions, copyright July 1999).

Claims 20-30 and 39 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Trostle in view of Buchner and Miller as applied to claims 19 and 38 above, and in further view of Smaha et al (U.S. 5,557,742), hereinafter Smaha.

Applicable Law

In rejecting claims under 35 U.S.C. §103, the Examiner bears the initial burden of factually supporting any *prima facie* conclusion of obviousness. See M.P.E.P. §2142. In the recent decision of the Supreme Court on *KSR Int'l Co. v. Teleflex Inc.*<sup>9</sup>, the analysis of obviousness previously set forth in *Graham v. John Deere Co. of Kansas City*<sup>10</sup>, was reaffirmed. The Court in *Graham* set out an objective analysis for applying §103 as follows:

“Under §103, the scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved. Against this background the obviousness or nonobviousness of the subject matter is determined.”<sup>11</sup>

When claim elements are found in more than one prior art reference, the fact finder must determine “whether a person of ordinary skill in the art, possessed with the understandings and knowledge reflected in the prior art, and motivated by the general problem facing the inventor, would have been led to make the combination recited in the claims.” *In re Kahn*<sup>12</sup>. In so doing, the Examiner must make the factual determinations set forth in *Graham v. John Deere Co. of Kansas City*<sup>13</sup>. Further, to establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. *In re Royka*<sup>14</sup>. “All words in a claim must be considered in judging the patentability of that claim against the prior art.” *In re Wilson*<sup>15</sup>. Office personnel must rely on the applicant’s disclosure to properly determine the meaning of the claims. *Markman v. Westview Instruments*<sup>16</sup>.

Concerning claim 7-8 and 37:

<sup>9</sup> 127 S.Ct. 1727, 82 USPQ.2d 1385 (2007).

<sup>10</sup> 383 U.S. 1, 17, 86 S.Ct. 684, 15 L.Ed.2d 545 (1966).

<sup>11</sup> The Court in *KSR v. Teleflex*, at page 1730, quoted the analysis of *Graham* from page 18.

<sup>12</sup> 441 F.3d 977, 988, 78 USPQ2d 1329, 1337 (Fed. Cir. 2006).

<sup>13</sup> 383 U.S. 1 at 467.

<sup>14</sup> 490 F.2d 981, 180 USPQ 580 (CCPA 1974).

<sup>15</sup> 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970).

<sup>16</sup> 52 F.3d 967, 980, 34 USPQ2d 1321, 1330 (Fed. Cir.) (*en banc*), aff ’d, U.S., 116 S. Ct. 1384 (1996).

The Office Action expressly concedes that Trostle does not disclose all limitations of claims 7-8 and 37.<sup>17</sup> To cure this deficiency, the Office Action relies on Buchner<sup>18</sup>, which apparently was cited<sup>19</sup> in response to Applicant's prior challenge on an Office Action's having taken "official notice" that "storing user identifiers on a machine is a well-known cookie bundling scheme<sup>20</sup>."

Claims 7-8 and 37 are not obvious in view of the proposed combination of Trostle and Buchner because the proposed combination fails to describe or suggest all of the limitations of claims 7-8 and 37. Applicants believe they have shown above that Trostle fails to disclose all of the subject matter included in independent claims 1 and 33, and, accordingly, Trostle fails to disclose all of the limitation of claim 7-8 and 37, which depends from independent claims 1 and 33. Furthermore, Applicants fail to find in, and the Office Action fails to point out in Buchner, where there is a description or a suggestion of the subject matter of claims 1 and 33, which has been shown by Applicants to be missing from Trostle. Thus, the proposed combination of Trostle and Buchner fails to describe or suggest the subject matter included in claims 1 and 34, and so claims 7-8 and 37, which are dependent on claim 1 and 34, are not obvious in view of the proposed combination of Trostle and Buchner.

Because not all elements of claim 7-8 and 37 are found in Trostle and Buchner fails to cure this deficiency, Applicants respectfully submit that the Office Action has failed to present a *prima facie* case of obviousness and they respectfully request reconsideration and withdrawal of this rejection.

Concerning claim 9-19 and 38:

The Office Action expressly concedes that Trostle does not disclose all limitations of claims 9-19 and 38.<sup>21</sup> To cure this deficiency, the Office Action apparently relies on Buchner and Miller.<sup>22</sup>

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<sup>17</sup> Office Action of July 18, 2007, page 4

<sup>18</sup> Office Action of July 18, 2007, page 4

<sup>19</sup> Office Action of July 18, 2007, page 15, the last two lines.

<sup>20</sup> Office Action of July 18, 2007, pages 4-5.

<sup>21</sup> Office Action of July 18, 2007, pages 5-8

<sup>22</sup> Office Action of July 18, 2007, pages 5-8

Claims 9-19 and 38 are not obvious in view of the proposed combination of Trostle, Buchner, and Miller because the proposed combination fails to describe or suggest all of the limitations of claims 9-19 and 38. Applicants believe they have shown above that Trostle fails to disclose all of the subject matter included in independent claims 1 and 33, and, accordingly, Trostle fails to disclose all of the limitation of claim 9-19 and 38, which depends from independent claims 1 and 33. Furthermore, Applicants fail to find in, and the Office Action fails to point out in Buchner and Miller, where there is a description or a suggestion of the subject matter of claims 1 and 33 missing from Trostle. Thus, the proposed combination of Trostle, Buchner, and Miller fails to describe or suggest the subject matter included in claims 1 and 34, and so claims 9-19 and 38, which are dependent on claim 1 and 34, are not obvious in view of the proposed combination of Trostle, Buchner, and Miller.

Because not all elements of claim 9-19 and 38 are found in Trostle, Buchner and Miller fail to cure this deficiency, Applicants respectfully submit that the Office Action has failed to present a *prima facie* case of obviousness and they respectfully request reconsideration and withdrawal of this rejection.

Concerning claim 20-30 and 39:

The Office Action expressly concedes that Trostle does not disclose all limitations of claims 20-30 and 39.<sup>23</sup> To cure this deficiency, the Office Action apparently relies on Buchner, Miller, and Smaha.<sup>24</sup>

Claims 20-30 and 39 are not obvious in view of the proposed combination of Trostle, Buchner, Miller, and Smaha because the proposed combination fails to describe or suggest all of the limitations of claims 20-30 and 39. Applicants believe they have shown above that Trostle fails to disclose all of the subject matter included in independent claims 1 and 33, and, accordingly, Trostle fails to disclose all of the limitation of claim 20-30 and 39, which depends from independent claims 1 and 33. Furthermore, Applicants fail to find in, and the Office Action fails to point out in Buchner, Miller, and Smaha, where there is a description or a suggestion of the subject matter of claims 1 and 33 missing from Trostle. Thus, the proposed combination of Trostle, Buchner, Miller, and Smaha fails to describe or suggest the subject matter included in

<sup>23</sup> Office Action of July 18, 2007, pages 8-12

<sup>24</sup> Office Action of July 18, 2007, pages 8-12

claims 1 and 34, and so claims 20-30 and 39, which are dependent on claim 1 and 34, are not obvious in view of the proposed combination of Trostle, Buchner, Miller, and Smaha.

Because not all elements of claim 20-30 and 39 are found in Trostle, Buchner, Miller, and Smaha fail to cure this deficiency, Applicants respectfully submit that the Office Action has failed to present a *prima facie* case of obviousness and they respectfully request reconsideration and withdrawal of this rejection.

**RESERVATION OF RIGHTS**

In the interest of clarity and brevity, Applicants may not have addressed every assertion made in the Office Action. Applicants' silence regarding any such assertion does not constitute any admission or acquiescence. Applicants reserve all rights not exercised in connection with this response, such as the right to challenge or rebut any tacit or explicit characterization of any reference or of any of the present claims, the right to challenge or rebut any asserted factual or legal basis of any of the rejections, the right to swear behind any cited reference such as provided under 37 C.F.R. § 1.131 or otherwise, or the right to assert co-ownership of any cited reference. Applicants do not admit that any of the cited references or any other references of record are relevant to the present claims, or that they constitute prior art. To the extent that any rejection or assertion is based upon the Examiner's personal knowledge, rather than any objective evidence of record as manifested by a cited prior art reference, Applicants timely object to such reliance on Official Notice, and reserves all rights to request that the Examiner provide a reference or affidavit in support of such assertion, as required by MPEP § 2144.03. Applicants reserve all rights to pursue any cancelled claims in a subsequent patent application claiming the benefit of priority of the present patent application, and to request rejoinder of any withdrawn claim, as required by MPEP § 821.04.

**CONCLUSION**

Applicants respectfully submit that the claims are in condition for allowance, and notification to that effect is earnestly requested. The Examiner is invited to telephone Applicants' attorney at 408-278-4051 to facilitate prosecution of this application.

If necessary, please charge any additional fees or credit overpayment to Deposit Account No. 19-0743.

Respectfully submitted,

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Date Nov 1, 2007

By \_\_\_\_\_



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**CERTIFICATE UNDER 37 CFR 1.8:** The undersigned hereby certifies that this correspondence is being deposited with the United States Postal Service with sufficient postage as first class mail, in an envelope addressed to: MS Amendment, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450 on this 1 day of November 2007.

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Signature